

MEMORANDUM

NATIONAL SECURITY COUNCIL

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INFORMATION

March 15, 1971

State Dept.
review completed

MEMORANDUM FOR:

DR. KISSINGER

FROM:

ON-FILE NSC
RELEASE
INSTRUCTIONS
APPLY

Ashley C. Hewitt

SUBJECT:

CIA Report on Bolivia

Attached at Tab A is a CIA analysis on Bolivia requested as a result of Director Helms' memo on world trouble spots to watch during the coming year (Tab B). Helms' memorandum suggested one course might be the identification and support of a political alternative to General Torres in Bolivia. The Embassy view has been that, unsatisfactory as he is, there is no real alternative to Torres, and backing him in the hope that his regime will gradually moderate is the only possible course.

Attached analysis tends to support the Embassy position noting that:

- a possible alternative based on ex-President Paz Estensorro and the National Revolutionary Movement (MNR) does not seem likely due to internal dissention within the MNR and strong military opposition to a resumption of power by the MNR;
- neither does an alternative based on more moderate elements in the Army seem probable. Indeed, Torres seems to have successfully forestalled such a move in January;
- the study suggests that the most likely alternative to Torres would be a Government based on the Gallardo brothers, one of whom is Minister of Interior and the other the Chief of Staff. However, the analysis notes that such a government would probably be even less in our interests than the present one because of the leftist tendencies of the Gallardo brothers.

On the whole, recent events also tend to support the Embassy view. These events have included:

- the foreclosure by Torres of a possible attempted coup by moderate elements in the Army in January;

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- the foreclosure of a possible move by the MNR against the government by means of attacks against the MNR in the news media;
- success on the part of the Torres Government in locating and neutralizing the latest attempt by the extreme left to mount guerrilla action;
- success thus far in playing off leftist students and labor groups and more conservative peasants against one another.

The analysis plus recent events lead to the following conclusions:

- Torres undoubtedly is weak, and the situation in Bolivia is as unstable as ever. The prospects for the Torres Government cannot be considered good, but neither are they good for alternatives to Torres.
- A reasonable alternative to Torres, with or without our help, does not seem likely due to profound divisions both within and between opposition groups and also within the military.
- For all his shortcomings, Torres has two things going for him--luck and boldness. The nature of Bolivia is such that his decisiveness and willingness to take action may just be enough to insure his survival, as they have during the past six months.
- A little extra backing from the US might do a good deal toward strengthening Torres and helping him resist the demands of leftist student and labor groups.

The CIA and Embassy positions are not mutually exclusive and obviously we should keep our eyes open for any promising alternative to Torres. In the meantime we should, perhaps, consider increasing our support of the Torres Government moderately. This is a policy issue which should be considered within the context of the annual Country Action and Strategy Paper (CASP) which is presently being reviewed by the Interdepartmental Group for Inter-American Affairs (IG). If necessary, the issue of whether or not to increase our support for the Torres Government could be raised to the Senior Review Group or the Under Secretaries Committee for final action. I will follow this in the process of the IG review. In the event that the issue is not surfaced effectively, we can then bring it into the SRG.

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